



WOMENSTRONG

INTERNATIONAL



AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022



Independent Auditor's Report

The Board of Directors
WomenStrong International

Opinion

We have audited the accompanying financial statements of WomenStrong International (WomenStrong), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WomenStrong International as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WomenStrong and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WomenStrong's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

7625 Wisconsin Avenue, Suite 317 | Bethesda, Maryland 20814

202.770.6371

| www.mullinspc.com

| john@mullinspc.com

The Board of Directors
WomenStrong International

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WomenStrong's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WomenStrong's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Bethesda, Maryland
May 30, 2023

Certified Public Accountants

7625 Wisconsin Avenue, Suite 317 | Bethesda, Maryland 20814

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| www.mullinspc.com

| john@mullinspc.com

WomenStrong International

**Statement of Financial Position
December 31, 2022**

Assets	
Cash and Cash Equivalents	\$ 831,979
Prepaid Expenses	9,328
Furniture and Equipment, Net	<u>-</u>
Total Assets	<u>\$ 841,307</u>
Liabilities and Net Assets	
Liabilities	
Accounts Payable and Accrued Expenses	\$ 116,418
Grants Payable	<u>96,000</u>
Total Liabilities	<u>212,418</u>
Net Assets	
Without Donor Restrictions	<u>628,889</u>
Total Net Assets	<u>628,889</u>
Total Liabilities and Net Assets	<u>\$ 841,307</u>

See Accompanying Notes to Financial Statements

WomenStrong International

**Statement of Activities
For the Year Ended December 31, 2022**

Support and Revenues

Contributions and Grants	\$ 2,849,475
Investment Income (Loss) - Net	<u>(7,555)</u>
Total Support and Revenues	<u>2,841,920</u>

Expenses

Program Services	2,140,288
Supporting Services	
General and Administrative	288,649
Fundraising	<u>205,541</u>
Total Supporting Services	<u>494,190</u>
Total Expenses	<u>2,634,478</u>
Changes in Net Assets	207,442
Net Assets, Beginning of Period	<u>421,447</u>
Net Assets, End of Period	<u>\$ 628,889</u>

See Accompanying Notes to Financial Statements

WomenStrong International

Statement of Functional Expenses For the Year Ended December 31, 2022

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Benefits	\$ 1,281,743	\$ 144,456	\$ 96,615	\$ 1,522,814
Grants	559,214	40	-	559,254
Professional Fees	139,666	122,684	93,799	356,149
Meetings and Conferences	39,121	2,699	47	41,867
Travel	97,239	12,217	-	109,456
Office Expense	23,037	3,542	15,066	41,645
Insurance	-	2,980	-	2,980
Depreciation	268	31	14	313
Total Expenses	<u>\$ 2,140,288</u>	<u>\$ 288,649</u>	<u>\$ 205,541</u>	<u>\$ 2,634,478</u>

See Accompanying Notes to Financial Statements

WomenStrong International
Statement of Cash Flows
For the Year Ending December 31, 2022

Cash Flows from Operating Activities	
Change in Net Assets	\$ 207,442
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities	
Depreciation	313
<u>(Increase) Decrease in Assets</u>	
Prepaid Expenses	1,794
<u>Increase (Decrease) in Liabilities</u>	
Accounts Payable and Accrued Liabilities	(48,447)
Grants Payable	(459,851)
Net Cash Provided by (Used in) Operating Activities	<u>(298,749)</u>
Net Increase (Decrease) in Cash	(298,749)
Cash and Cash Equivalents, Beginning of Period	<u>1,130,728</u>
Cash and Cash Equivalents, End of Period	<u>\$ 831,979</u>

See Accompanying Notes to Financial Statements

WomenStrong International

Notes to Financial Statements December 31, 2022

1. ORGANIZATION AND PURPOSE

WomenStrong International (WomenStrong) is a non-profit organization, incorporated in August 2014 under the laws of the District of Columbia. WomenStrong finds, funds, strengthens, and shares women-driven solutions that will transform lives in urban communities. WomenStrong partners start by listening to women, who know best what they need in order to thrive. WomenStrong brings these organizations together into a Learning Lab, to develop, test, sharpen, and disseminate solutions to some of the challenges faced by women and girls in their communities. Through collective learning and sharing, WomenStrong is building a global community of organizations better equipped to advance the rights and wellbeing of women and girls.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

The financial statements of WomenStrong have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires WomenStrong to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of WomenStrong. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of WomenStrong or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of December 31, 2022, there were no net assets with donor restrictions.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Accordingly, actual results could differ from those estimates.

WomenStrong International

Notes to Financial Statements December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

WomenStrong considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Furniture and Equipment

Furniture and equipment purchases greater than \$1,500 are capitalized at cost. Furniture and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred.

Grants Payable

Grants payable are recorded as expenses when the funds are committed to grantees. WomenStrong funds 80% of each grant in the year of approval and 20% in the following year. As of year-end, the amounts representing the unpaid 20% are accrued as grants payable.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized as revenues in the period received or pledged. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets, other than cash, are recorded at their estimated fair value at the date of gift. Contributed services and materials are recorded at their estimated fair value if they would otherwise be purchased if not provided by donation and provided by professionals in their field. Management considers all outstanding contributions receivable amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on time and effort.

Income Tax Status

WomenStrong is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code.

WomenStrong follows the Financial Accounting Standards Board Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in WomenStrong's financial statements, if any. As of December 31, 2022, WomenStrong had no unrecognized tax benefits related to uncertain tax positions in its information return that would qualify for either recognition or disclosure in its financial statements.

WomenStrong International

Notes to Financial Statements December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (Continued)

WomenStrong's policy would be to recognize interest and penalties on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. Through December 31, 2022, there have been no matters that would have resulted in an accrual for interest and/or penalties.

Generally, the tax years before 2019 are no longer subject to examination by federal, state, or local taxing authorities.

New Accounting Pronouncements

In 2016, FASB issued ASU 2016-02, Leases (Topic 842). Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than twelve months. The new standard applies to finance and operating leases entered into after the standard was issued. WomenStrong does not have any leases requiring recognition on the statement of financial position.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The standard requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. This standard was adopted in the current fiscal year and did not have a significant impact on the financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326). This guidance requires Organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The guidance is effective beginning in 2023.

Subsequent Events

WomenStrong has evaluated subsequent events through May 30, 2023, the date on which the financial statements were available to be issued.

3. CONCENTRATION OF CREDIT RISK

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. As of December 31, 2022, bank balances exceeded the FDIC coverage by approximately \$566,000.

WomenStrong International

Notes to Financial Statements December 31, 2022

4. FURNITURE AND EQUIPMENT

Furniture and equipment consisted of the following at December 31, 2022:

Furniture and Equipment	\$ 2,941
Less Accumulated Depreciation	<u>(2,941)</u>
Furniture and Equipment, Net	<u>\$ -</u>

Depreciation expense was \$313 for the year ended December 31, 2022.

5. NET ASSETS

There were no net assets with donor restrictions as of December 31, 2022.

Net assets without donor restrictions for the year ended December 31, 2022 were undesignated.

6. INVESTMENT INCOME

WomenStrong received donated stock during the year and liquidated the investments as of December 31, 2022. Investment income (loss) for the year ended December 31, 2022 was:

Dividends and Interest	\$ 355
Net Unrealized Gains (Losses)	(17,743)
Net Realized Gains (Losses)	10,133
Less: Investment Advisory Fees	<u>(300)</u>
Total	<u>\$ (7,555)</u>

7. RELATED PARTY

During the year ended December 31, 2022, WomenStrong received approximately 96% of its total support and revenues from an anonymous donor, who is a related party. As of December 31, 2022, there were no receivables or payables due to or from this donor.

8. RETIREMENT PLAN

WomenStrong has a 401(k) plan for its employees. Employees are eligible to enroll after completing three months of employment. Contributions to the plan during the year ended December 31, 2022 totaled \$37,182.

WomenStrong International

Notes to Financial Statements December 31, 2022

9. LIQUIDITY AND AVAILABILITY

The following represents WomenStrong's financial assets at December 31, 2022:

Financial Assets at Year End:

Cash and Cash Equivalents	\$ 831,979
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Total Financial Assets	831,979
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Less: Restricted Amounts Not Available To Be Used Within One Year:

Donor-Restricted Amounts - Purpose Restricted	-
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Financial Assets Available to Meet General Expenditures	
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Over the Next Twelve Months	\$ 831,979
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As part of WomenStrong's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.